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# WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

1997-98

(session year)

### Senate

(Assembly, Senate or Joint)

Committee on Education...

#### **COMMITTEE NOTICES ...**

- Committee Reports ... CR
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- Public Hearings ... PH

### INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... Appt (w/Record of Comm. Proceedings)
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(ar = Assembly Resolution)

(ajr = Assembly Joint Resolution)

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(sir = Senate Joint Resolution)

Miscellaneous ... Misc

<sup>\*</sup> Contents organized for archiving by: Stefanie Rose (LRB) (December 2012)

# TEACHER SALARY INFORMATION





COLLECTIVE BARGAINING/RESEARCH DIVISION

November 1997

Prepared by: Jeff Leverich, Research Coordinator

#### **EXECUTIVE SUMMARY**

#### Teachers' Salaries and the QEO

This report is a collection of analyses which examine the impact of the QEO on teacher earnings. The report is organized as follows:

- A response to the Wisconsin Association of School Boards claims about teacher earnings -- claims which are not substantiated by our data.
- A case study comparing new teachers to experienced teachers shows the inequities of the QEO on earnings for those at the maximum steps on a salary schedule.
- A 20-year analysis of teacher earnings under the QEO shows that, by 2016, teachers at the MA Maximum level will be earning less than starting teachers would have earned 20 years from now without QEO restricted salaries.
- A 10-year "what if" scenario depicts the loss in earnings that teachers would have experienced today if the QEO was in effect for ten years. At the Ma Maximum level, for instance, teachers would have lost over \$65,000 in income over the ten year period. The ramifications of this for retirement are examined next showing that in 20 years of annuities, teachers would have lost \$116,640 in income because of diminished salaries.
- A discussion of how teacher salaries are tracked and analyzed to show that rates of increase in teacher pay have declined since the imposition of the QEO.
- A series of analyses which graph rates of growth in Wisconsin teacher salaries and show that compared to personal income, inflation, and median household income, teachers are losing money.
- A comparison of growth in Wisconsin teacher salaries since the QEO to growth nationally and in the Midwest shows that Wisconsin received smaller increases.
- Wisconsin Retirement System information shows that teachers received a 1.9% increase in average salary last year, and *Occupational Outlook Quarterly* data shows teachers to have the lowest starting pay of any occupation for college graduates.
- A comparison of the number of hours worked by educators to private sector employees shows that teachers work as much as their private sector counterparts.

# TEACHER SALARIES A Rebuttal

The Wisconsin Association of School Boards (WASB) recently published a ten year history of teacher settlements compared to the CPI-U (inflation). The article appeared in their publication, Review (March 21, 1997), was distributed at the capitol, appeared in some UniServ offices around the state via member inquiries, and now is available on WASB's new homepage on the Internet.

Below is a point-by-point discussion of the article.

#### **Teachers Have Lost Purchasing Power Over The Last Ten Years**

WASB: "[Increases in] average [teacher] salaries have exceeded inflation over the last ten years."

**RESPONSE**: FALSE. In 1986-87, the average teacher in Wisconsin was making \$27,815. In 1996-97, the expected average techer salary is \$38,950 -- an increase of 40.03%. However, based on the December CPI-U, inflation increased 43.53% during the same time period. Between 1986 and 1996, average teacher salaries *lost* money compared to inflation.

# Increases in the Average Teacher Salary Were Less Than Inflation in Six Out of the Last Eight Years

WASB: "Over the last ten years the average teacher has received increases averaging 5.51%."

RESPONSE: FALSE. Between 1986 and 1996, the average annual increase in average teacher salaries was 3.44%. The WASB created a graph which purports to show that teacher salaries increased at a rate greater than inflation for every year between 1985 and 1996. This also is inaccurate (see attached graph).

Using official data from the DPI, WEAC Research replicated the WASB study and came up with the results below. Increases in the CPI-U were greater than increases in average teacher salaries in six of the last eight years. Further, most of the gains in average teacher salaries occurred prior to 1990.

Year	Average S	Salary	% Inc.	Inflation	(CPI-U)
1985-86	- Na agrando no la contraction de la contraction del contraction de la contraction d	26347	<del>alektrikan jakota jakota</del> k <del>anak</del> i minaga ayo oo 1 moo ay	109.30	and the second second second second
1986-87		27815	5.57%	110.5	1.10%
1987-88		29122	4.70%	115.4	4.43%
1988-89		30779	5.69%	120.5	4.42%
1989-90	e anakani i adalah agamana	31921	3.71%	126.1	4.65%
1990-91		33209	4.03%	133.8	6.11%
1991-92	· · · · · · · · · · · · · · · · · · ·	35227	6.08%	137.9	3.06%
1992-93		35926	1.98%	141.9	2.90%
1993-94		35990	0.18%	145.8	2.75%
1994-95		37746	4.88%	149.7	2.67%
1995-96		38182	1.16%	153.5	2.54%
1996-97	M. Bridancias	38950	2.01%	158.6	3.32%
Percent inc	rease '86-'96:		40.03%	Ver error ( - v domente anno	43.53%
Average an	nual % inc:		3.44%		3.68%

The WASB does not report the methodology they used. Therefore, it is impossible to know how they came up with their percentage increases. Their numbers, however, do not jibe with officially reported average teacher salaries from the DPI.

Average teacher salaries have lost money compared to inflation since 1986.

Average teacher salaries and benchmarks, key places on the salary schedule, are the two common ways to track teacher earnings. Below is an examination of both benchmarks and average teacher salaries for different time periods.

#### **Teacher Salary Schedules Are Losing Money Compared to 1970**

#### Twenty Five Year Benchmark Analysis

A 25 year snapshot from 1970 to 1995 shows that what teachers get paid at each benchmark is actually *less in terms of purchasing power* today compared to 25 years ago. This is true at every benchmark.

For instance, in 1970 the average BA minimum statewide was \$7,070. In 1996-1997, the BA minimum was \$24,822 -- an increase of 351.1%. During the same time period inflation, as measured by the December CPI-U, increased 398.49%.

Likewise, the MA maximum increased from \$11,539 in 1970 to \$44,628 in 1996, an increase of 386.76%, which also was less than the rate of inflation.

An analysis of benchmarks shows that teachers have less purchasing power today than they did in 1970.

#### Twenty Five Year Average Teacher Salary Analysis

Average teacher salaries in Wisconsin increased from \$9,729 in 1970, to \$38,950 in 1996-1997. This represents an increase of 400.34%, an increase slightly greater than inflation (398.49%).

Average teacher salaries reflect increases for advanced credits and seniority. Wisconsin's teaching corps is maturing, and one-half of Wisconsin's teachers have MAs. The average teacher has 17 years of experience. Even with these increases factored in, it took teachers 26 years to gain 1.85% in purchasing power as measured by average teacher salaries.

#### **Teachers Have Lost Money Sincé 1990**

#### Six Year Benchmark Analysis

In 1990, the average of the six benchmarks statewide was \$30,473. In 1996 the average benchmark was \$36,108--an increase of 18.49%. However, as measured by the December CPI-U, inflation increase 18.54% during the same time period.

#### Six Year Average Teacher Salary Analysis

Since 1990-1991, average teacher salaries increased 17.29% while the CPI-U increased 18.54%.

#### **Teachers Have Lost Money Since 1993 and The QEO**

#### Three Year Benchmark Analysis

Since the implementation of the QEO in 1993, statewide benchmarks have increased an average of 1.68% per year. Inflation during the same time period averaged about 2.9%. Teacher salary schedules lost purchasing power after implementation of the QEO. In the three years prior to the QEO, the average annual rate of increase in benchmarks was 4.82%.

#### Three Year Average Teacher Salary Analysis

The average teachers' salary has only increased by 2.03% annually since 1993. Again, this rate was *less than* inflation which averaged 2.9% annually between December of 1993 and 1996. In the three years prior to the QEO, average teacher salaries increased at an average annual rate of 3.88%

<sup>&</sup>lt;sup>1</sup> Estimated figure--final data will be available by November of 1997.

#### Summation

Benchmark analysis shows that salary schedules have not kept pace with inflation over the last 25 years. Nor have they kept pace with inflation since the implementation of the QEO in 1993.

Further, average teacher salaries, which include longevity and credit advancements, show that teacher pay *barely* out-paced inflation over the last 25 years. The increases in average teacher salaries were due to advanced credits and seniority.

However, in the last ten years, average teacher salaries have lost money compared to inflation.

In the last three years, *neither* average salaries or benchmark salaries have kept up with the rate of inflation.

In fact, compared to inflation, average teacher salaries have lost money:

- In five out of the last seven years
- In the last ten years between 1986 and 1996
- In the last six years between 1990 and 1996
- In the last three years since 1993 when the QEO was implemented.

As measured by benchmarks, teacher salaries have lost money compared to inflation when 25 year, six year, and three year analyses are conducted.

While certain limited "snapshots" in time can be used to depict salary increases which are greater than inflation, these snapshots fail to address the larger fact that most time-frames of analysis show virtually no gain in teacher earnings compared to inflation. Clearly, teacher salaries are not growing at exorbitant rates, but, rather, barely stayed even with or slowly lost purchasing power through time. Since 1993 and the QEO, teachers have experienced an intensified loss of purchasing power.

#### Total Compensation Should Not Be Compared To The CPI-U

WASB: Total package compensation (benefits + salary) needs to be used in cost of living comparisons.

**RESPONSE**: FALSE. The calculation used to determine the CPI does *not* include health insurance premiums. The WASB's methodology creates an "apples to oranges" comparison where costs are being *added* to teachers' compensation and then compared to an economic indicator which *does not include the same costs*. Also, no other standard measure of income, such as per capita income or median household income, include benefits in the calculation. The WASB maintains that teacher salaries should be analyzed in a different manner than all other standards of income analysis.

#### Maintaining The Same Level of Benefits Is Not An Increase In Compensation

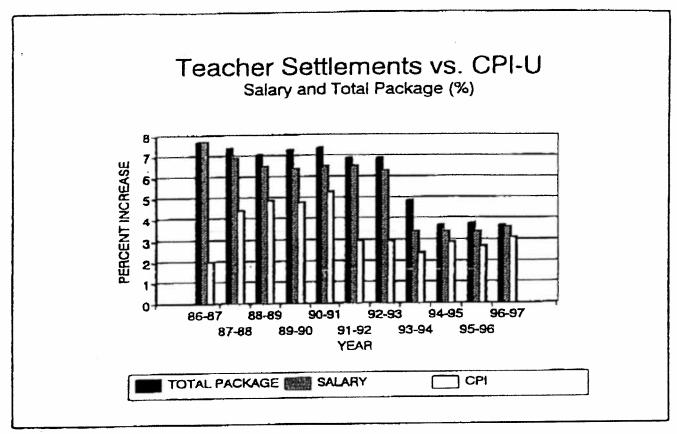
Further, an increase in the cost of benefits does not increase take-home pay. If an employee had a family health insurance plan in 1985 and by 1995 the cost for that plan exceeded inflation, the employee received no additional benefit -- they simply maintained the status quo. It is not reasonable to blame exorbitant health care costs, the result of a complex market system, on employees who simply wish to maintain health insurance for their families.

Prepared by: Jeff Leverich

Research Coordinator

Collective Bargaining/Research

**WEAC** 



#### Salaries and Benefits have Kept Pace with Inflation Over the Last Ten Years

Teachers throughout the state have recently been asserting that their salaries are not keeping pace with inflation. As is apparent from the above chart, average salary increases and average total compensation increases have not only kept pace with inflation, but they have exceeded inflation over the last ten years.

Average salary and total package represents the salary and total package increase received by the average teacher in Wisconsin. The average salary increase includes only salary schedule and longevity pay. Total package includes all salaries and fringe benefit costs. The cost of living (CPI-U) represents the average annual rate of inflation for urban wage earners and clerical workers. This is the CPI figure that was used for determining the allowable increase in the revenue limit.

Over the last ten years the average teacher in

Wisconsin has received salary increases averaging 5.51% (\$1624 in average dollars) per year and total compensation increases averaging 6.07% (\$2434 in average dollars) per year. Over the same period of time the cost of living has averaged 3.50%.

Districts should track this information based upon their own settlements to determine if their settlements match up with the statewide trends. Districts should make sure that the comparison between the cost of living and the CPI focuses on what the teacher takes home in pay and benefits. Wage rate adjustments, that being the percentage increase of one cell on the salary schedule, do not accurately demonstrate the increase in compensation that employees have received. Wage rate adjustments don't take into account increases due to step movement and lane movement. Also, wage rate adjustments don't measure the increased cost of fringe benefits.

Make sure that cost of living comparisons give the full picture, not just wage rates.

#### Salary Increases Under the QEO

## New versus Experienced Teachers Verona as an Example

Step	BA	Step	MA+24*	Step	MA+30*
('94-'95) 1	\$22,908	15	43978	16	46493
('95-'96) 2	\$24,135	15	44769	16	47786
('96-'97) 3	\$25,132	15	45091	16	48359
\$ Inc.	\$2,224		\$1,113		\$1,866
% Inc.	9.71%		2.53%		4.01%

<sup>\*</sup> Includes longevity

NOTES: '96-'97 is a new salary schedule. A "new" teacher in the BA lane received both a step increase and the per cell increase associated with the new schedule. Teachers at step 15, however, only received the per cell increase associated with the new salary schedule because they already were at the maximum step.

This district has 295.5 FTE (full-time equivalent) teachers.

Of this, 131 positions are at the maximum step in their respective lanes.

Sixty teachers are at the maximum step in the MA+30 lane, which is the highest lane for the district.

Inflation has been running just under 3% annually for the last three years.

Senior teachers are penalized the most under the QEO. They receive significantly lower increases in pay than those who are able to gain annual step increases.

#### The Long-term Impact on Earnings of The QEO

#### A Twenty Year Projection

Years	Increase	Years	Increase
90-91	5.45%	94-95	1.69%
91-92	5.09%	95-96	1.54%
92-93	4.63%	96-97	1.88%
Pre-QEO 3 year average	4.82%	Post-QEO 3 yr average	1.68%

In 20 years a teacher at the MA Max will be making less than teachers would have made at the BA Minimum in 20 years without the QEO.

Actual 1996-1997 BA Min		Actual 1996-199	7 MA Max	Actual 1996-199	7 MA Max
X 4.82% annual i	ncreases	X 1.68% annua	l increase	X 3% assumed	linflation
Year	BA Min	Year	MA Max	Year	MA Max
1996-1997	\$24,829	1996-1997	\$44,649	1996-1997	\$44,649
1997-1998	\$26,026	1997-1998	\$45,399	1997-1998	\$45,988
1998-1999	\$27,280	1998-1999	\$46,162	1998-1999	\$47,368
1999-2000	\$28,595	1999-2000	\$46,937	1999-2000	\$48,789
2000-2001	<b>\$29,973</b>	2000-2001	\$47,726	2000-2001	\$50,253
2001-2002	\$31,418	2001-2002	\$48,528	2001-2002	\$51,760
2002-2003	\$32,932	2002-2003	\$49,343	2002-2003	\$53,313
2003-2004	\$34,520	2003-2004	\$50,172	2003-2004	\$54,913
2004-2005	\$36,184	2004-2005	\$51,015	2004-2005	\$56,560
2005-2006	\$37,928	2005-2006	\$51,872	2005-2006	\$58,257
2006-2007	\$39,756	2006-2007	\$52,743	2006-2007	\$60,005
2007-2008	\$41,672	2007-2008	\$53,629	2007-2008	\$61,805
2008-2009	\$43,681	2008-2009	\$54,530	2008-2009	\$63,659
2009-2010	\$45,786	2009-2010	\$55,446	2009-2010	\$65,569
2010-2011	\$47,993	2010-2011	\$56,378	2010-2011	\$67,536
2011-2012	\$50,306	2011-2012	\$57,325	2011-2012	\$69,562
2012-2013	\$52,731	2012-2013	\$58,288	2012-2013	\$71,649
2013-2014	\$55,273	2013-2014	\$59,267	2013-2014	\$73,798
2014-2015	\$57,937	2014-2015	\$60,263	2014-2015	\$76,012
2015-2016	\$60,729	2015-2016	\$61,276	2015-2016	\$78,292
2016-2017	\$63,656	2016-2017	\$62,305	2016-2017	\$80,641

The following is an examination of the impact of the QEO on 10 years of teacher earnings. The analysis compares actual statewide benchmarks to what benchmarks would have been if the QEO was implemented in 1986. The average increase in benchmarks in 1995-1996 under the QEO was 1.53%. This rate of increase is applied annually and compared to actual settlement information in order to calculate the difference in earnings at each benchmark.

If settlements between 1993 and 1996 (the "Actual settlement" data used for comparative purposes) had not occurred under the QEO, the differences in earnings between QEO and non-QEO salaries over the 10 years would be even greater.

The second page depicts how the loss in earnings affects teacher retirement for those retiring at the MA Max and Schedule Max levels.

#### STATE OF WISCONSIN - AVERAGE BENCHMARK SALARIES

Actual salaries compared to what salaries would have been under the QEO 1985-86 through 1995-96

(1.53% was the average increase in statewide benchmarks for 1995-96 under the QEO)

ВА	Min BA	7 MA Min	MA10	MA Max	Sch Max	Average of six	Loss In*
1985-86 Actual 16	345 20 <b>7</b> 5	1 18018	25332	28994	31192	23439	
1986-87 Actual 17	361 22029	9 19173	26947	30761	33118	24898	
Assume 1.53% increase 16	595 21068	3 18294	25720	29438	31669	23797	
Loss with 1.53%	766 96 <sup>-</sup>	1 879	1227	1323	1449	1101	7706
	300 2321			32475	35020	26285	
	849 2139 <sup>-</sup>			29888	32154	24161	
Loss with 1.53%	451 1820	1663	2352	2587	2866	2123	14863
1988-89 Actual 19	197 24340	21236	29873	34124	36842	27602	
Assume 1.53% increase 17	107 21718	18858	26513	30345	32646	24531	
Loss with 1.53% 2	090 2622	2 2378	3360	3779	4196	3071	21497
1989-90 Actual 20	083 25466	3 22256	31330	35715	38670	28920	
Assume 1.53% increase 17	369 22050	19146	26918	30810	33145	24906	
Loss with 1.53% 2	714 3416	3110	4412	4905	5525	4014	28095
1990-91 Actual 21	062 2672	4 23596	33195	37562	40708	30475	
Assume 1.53% increase 17	634 22388	19439	27330	31281	33652	25287	
Loss with 1.53% 3	428 4336	6 4157	5865	6281	7056	5187	36309
1991-92 Actual 22	078 27998	3 24791	34874	39453	42925	32020	
Assume 1.53% increase 17	904 22730	19737	27748	31760	34167	25674	
Loss with 1.53% 4	174 5268	3 5054	7126	7693	8758	6345	44418
1992-93 Actual 23	029 2919	5 25899	36411	41294	44998	<b>33471</b>	
Assume 1.53% increase 18	178 23078	3 20039	28173	32245	34690	26067	
Loss with 1.53% 4	851 6117	7 5860	8238	9049	10308	7404	51827
1993-94 Actual 23	6 <b>3</b> 6 29960	26584	37370	42367	46183	34350	
Assume 1.53% increase 18	456 2343 <sup>.</sup>	1 20345	28604	32739	35221	26466	
Loss with 1.53% 5	180 6529	6239	8766	9628	10962	7884	55 <b>188</b>
1994-95 Actual 24	036 3047	3 27033	38012	43158	47033	34958	
Assume 1.53% increase 18	738 23790	20656	29041	33240	35760	26871	
Loss with 1.53% 5	298 6683	3 6377	8971	9918	11273	8087	56606
1995-96 Actual** 24	350 30839	9 27383	38444	43844	47928	35465	
Assume 1.53% increase 19	025 24154	4 20973	29486	33748	36307	27282	
Loss with 1.53% 5	325 668	5 6410	8958	10096	11621	8183	57278

Loss in value of salary schedule as measured by standard benchmarks assuming a 1.53% increase.

<sup>\*\*</sup> Settlements for this and previous year occurred under the QEO -- otherwise the differences would be even greater.

#### Loss in Retirement if QEO Had Been in Effect for Ten Years

Retirement annuity = (average of 3 highest salaries) X .016 X years of service.

		With 10 yrs of QEO	Without QEO*	Monthly Difference	Annual Difference	20 yr Difference
Ma Max 9	3-'94	32739	43284			
9	4-'95	33240	45371			
9	5-'96	33748	47558			
Three year salary avg:		33242	45404			
Twenty years of service monthly an	nuity:	886	1211	325	3900	78000
Thirty years of service monthly annu	uity:	1330	1816	486	5832	116640

		With 10 yrs of QEO	Without QEO*	Monthly Difference	Annual Difference	20 yr Difference
Schedule Max	93-'94	35221	47167			
	94-'95	35760	49440			
	95-'96	36307	51823			
Three year salary avg:		35763	49477			
Twenty years of service mor	nthly annuity:	954	1319	365	4380	87600
Thirty years of service month	nly annuity:	1431	1979	548	6576	131520

<sup>&</sup>quot;Without QEO" salaries were calculated by taking the average increase in benchmarks for the three years prior to the implementation of the QEO (4.82% increase) and applying this to the 1992-1993 salaries forward. This is the most accurate way to calculate the difference between QEO and non-QEO scenarios since using actual benchmarks since 1994 would be using benchmarks settled under the QEO limitations.

# THE IMPACT OF THE QEO ON TEACHER EARNINGS SEPTEMBER 1997

There are two ways in which the Wisconsin Education Association Council tracks teacher salary data statewide. The first is by "benchmarks," key places on teacher salary schedules, and the second is by the statewide average teacher salary.

#### **Benchmarks**

Benchmarks represent what teachers actually get paid at that point on the salary schedule. There are six benchmarks currently used to track teacher salaries. They are the BA minimum, the BA 7th step, the MA minimum, the MA 10th step, the MA maximum, and the schedule maximum for each district. An average of these six benchmarks is also calculated to create an "average benchmark."

Benchmarks are weighted by the number of full-time equivalent (FTE) teachers for each district. The weighted average for the 1996-1997 BA minimum, for instance, was \$24,822. This represents a snapshot of what the average starting teacher with a BA made in the state. However, the range of starting salaries extended from a low of \$20,684 to a high of \$30,112.

The average of the six benchmarks for 1996-1997 was \$36,108. This represented a 1.9% increase over the previous year's average. To compare, between 1994-1995 and 1995-1996, the percentage increase in the average benchmark was 1.54%.

See the attached chart which shows the impact that the QEO law has had on the rate of increase in the average benchmark. The average increase in the three years prior to the QEO was 4.82%. The average increase in the benchmarks for the three years after the QEO was just 1.68%.

#### **Average Salaries**

The average teacher salary is determined by analyzing the Fall Staff Reports. The figure is calculated by the Department of Public Instruction. Average salaries are calculated by dividing the total amount of dollars paid to teaching staff by the number of employees (FTE equivalent). The average includes the costs of longevity (step increases) and lane changes (BA to MA, for instance) which may occur during a teacher's employment. Thus, the figure can be used to assess the aggregate impact of these costs on teacher pay through time.

In the three years since the implementation of the QEO, average teacher salaries only increased 2.03% annually. In the three year period prior to the QEO, average salaries increased an average of 3.88% annually.

#### Conclusion

Analysis of both benchmark and average teacher salaries show the impact of the QEO on teacher earnings. As measured by benchmarks, the rate of increase in teacher earnings in the three years prior to the QEO was over twice the rate experienced after the QEO was implemented. As measured by the average teacher salary, the rate of increase in the three years prior to the QEO was nearly twice the rate experienced after the QEO.

These facts have serious consequences on life-long retirement earnings for teachers, which are based on maximum salaries, and on teachers' purchasing power through time. With inflation running just under 3%, teachers are experiencing a decline in their standard of living every year that the QEO stays in effect.

#### Benchmark and Average Teacher Salary Analysis

	^	verage in	crease in E	Senchmarks		
		Year	Pre-QEO	Year	Post-QEO	
		1990-91	5.45%	1994-95	1.69%	
		1991-92	5.09%	1995-96	1.54%	
		1992-93	4.63%	1996-97	1.90%	
Total in	crease:	Γ	15.17%		5.13%	
Aversa	e annual incr	0360.	4.82%		1.68%	
_	94 is not included	because some	districts settled under	the QEO and others	did not.	ı
_	94 is not included	e because some of	districts settled under	ıchers' Sala	did not.	9/ Inc
*1993-199	94 is not included Incr Year	because some of the company of the c	districts settled under	ichers' Sala <sub>Year</sub>	i did not.  ITY*  Post-QEO	% Inc
*1993-199	94 is not included Incr Year 1989-90	ease in A Pre-QEO 31921	districts settled under	ichers' Sala Year 1992-93	i did not.  ITY*  Post-QEO 35926	
_	94 is not included  Incr  Year  1989-90 1 1990-91	rease in A Pre-QEO 31921 33209	verage Tea  % Inc. 4.03%	Year 1992-93 1 1993-94	Post-QEO 35926 35990	0.18%
*1993-199	Pear 1989-90 1 1990-91 2 1991-92	Pre-QEO 31921 33209 35227	verage Tea  % Inc.  4.03% 6.08%	Year 1992-93 1 1993-94 2 1994-95	Post-QEO 35926 35990 37746	0.18% 4.88%
*1993-199 BASE	Fear 1989-90 1 1990-91 2 1991-92 3 1992-93	Pre-QEO 31921 33209 35227 35926	werage Tea  % Inc.  4.03% 6.08% 1.98%	Year 1992-93 1 1993-94	Post-QEO 35926 35990 37746 38182	0.18% 4.88% 1.16%
*1993-199 BASE	Pear 1989-90 1 1990-91 2 1991-92	Pre-QEO 31921 33209 35227 35926 Pre-QEO	verage Tea  % Inc.  4.03% 6.08%	Year 1992-93 1 1993-94 2 1994-95	Post-QEO 35926 35990 37746	0.18% 4.88%

WEAC, Collective Bargaining/Research Division, September 1997.
Prepared by: Jeffrey Leverich, Research Coordinator.

# RATES OF INCREASE IN WISCONSIN TEACHER PAY COMPARED TO

#### PERSONAL INCOME

#### MEDIAN HOUSEHOLD INCOME

AND

**INFLATION** 

# State has high income growth

#### **Associated Press**

Madison — Personal income in Wisconsin grew 38% between 1990 and 1996, exceeding the national pace, University of Wisconsin Business School profes-

sor Jon Udell says.

A study by Udell for the Wisconsin Department of Commerce, using U.S. Department of Commerce statistics, said only the farm sector failed to show impressive economic

"Choose almost any time period beginning after 1973 and Wisconsin's economic growth at least equals the nation's," the

study says.

Wisconsin farmers' total receipts fell 2% from 1990 to 1995. while expenses grew nearly 11%, resulting in a 126% decrease in corporate farm income, the report says.

Wisconsin's total personal income grew 643% between 1969 and 1996, it says.

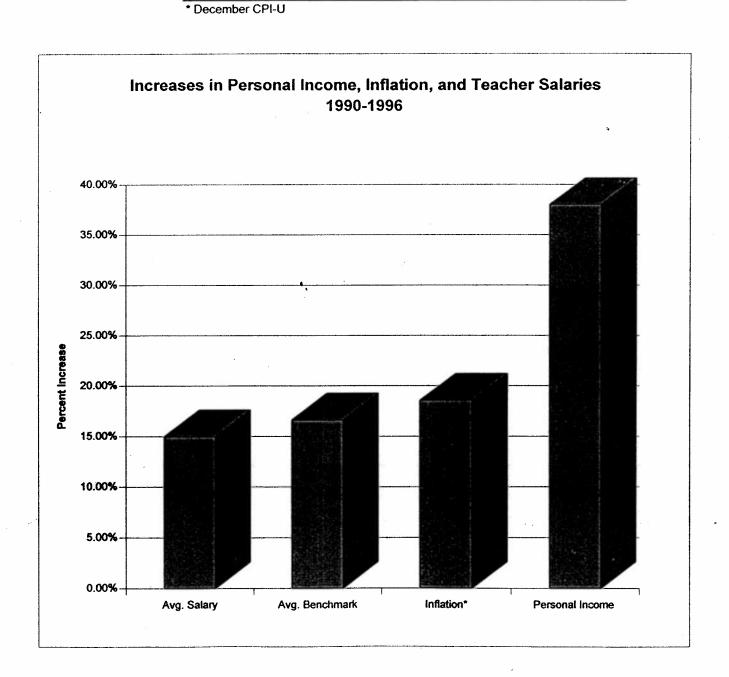
The personal income increase of 38% from 1990 to 1996 exceeded most of the nation.

Wisconsin's per capita income averaged \$23,269 last year.

Milwaukee Journal Sentinel

# Teacher Salary Increases Compared to Income Growth and Inflation In Wisconsin 1990-1996

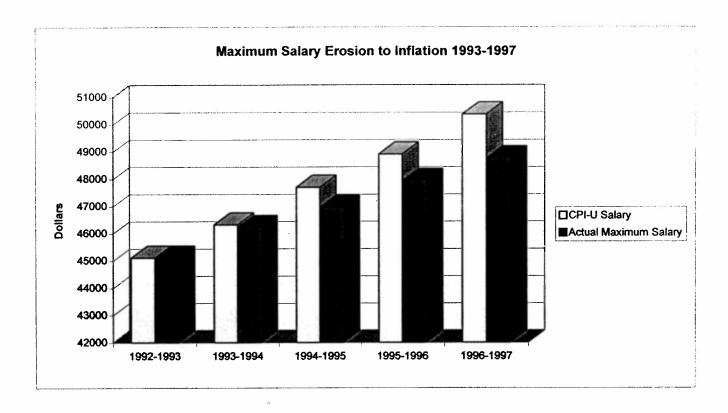
Personal Income Inflation\* Avg. Salary Avg. Benchmark 1990-1991 33209 30474 17122 133.8 23629 1995-1996 38182 35533 158.6 % Increase 14.97% 16.60% 38% 18.54%



## Comparison of Teacher Maximum Salaries to Inflation

Since the QEO 1993-1997

Year I	nflation (CPI-U)	Schedule Maximum Salary
1992-1993	141.3	45108
1993-1994	145.1	46221
1994-1995	149.4	46613
1995-1996	153.2	47935
1996-1997	157.8	48757
Total percent increase:	11.68%	8.09%
Average annual % increase:	2.23%	1.57%



#### What the Maximum Salary Would Be to Keep Up With Inflation

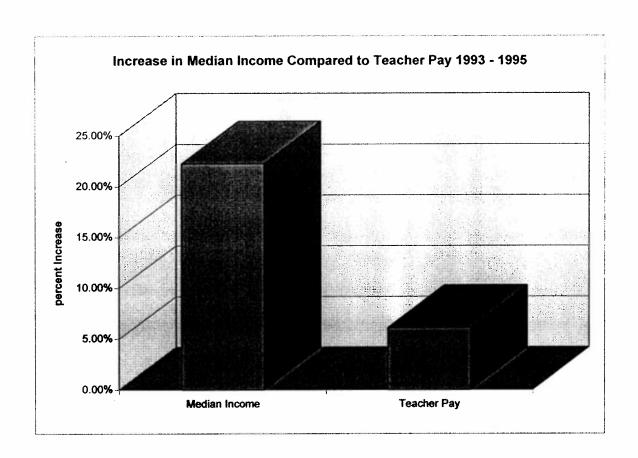
Year	<b>CPI-U Salary</b>	<b>Actual Maximum Salary</b>	\$ Loss	% Loss
1992-1993	45108	45108		
1993-1994	46321	46221	100	0.22%
1994-1995	47694	46965	729	1.55%
1995-1996	48907	47928	979	2.04%
1996-1997	50375	48757	1618	3.32%

**Data Sources**: CPI-U is September to September, Bureau of Labor Statistics. Maximum salary data comes from actual district contracts. The figure is an average for all districts statewide.

# A Comparison of AverageTeacher Salaries to Median Income

#### Wisconsin

Year	Median Income	<b>Teacher Pay</b>
1993	\$33,503	\$35,990
1995	\$40,955	\$38,182
% Increase:	22.24%	6.09%

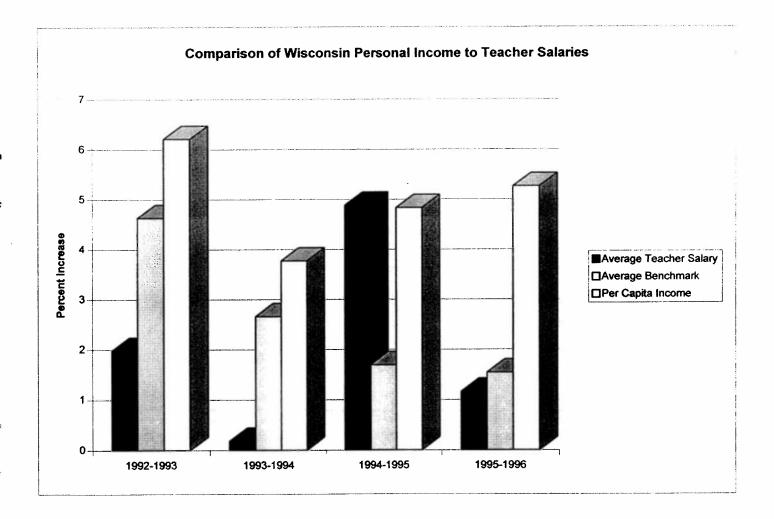


Data Sources: Average teacher salaries are calculated by the Department of Public Instruction based on annual school district budget reports.
 Median income information comes from the U.S. Bureau of the Census,
 March 1996 Current Population Survey.

#### A Comparison of The Percent Increase in Per Capita Income

to Percent Increases in Average Teacher Salaries and Benchmarks 1992-1996

	Wisconsin				
Year	Avg. Teacher Salary	Avg. Benchmark	Per Capita Income		
1992-1993	1.98	4.63	6.21		
1993-1994	1.8	2.66	3.77		
1994-1995	4.88	1.69	4.83		
1995-1996	1.16	1.53	5.26		
Total percent increase:	9.82	10.51	20.07		
Average annual % incre	ase: 2.29%	2.53%	4.68%		



**Data Sources**: Per capita income for Wisconsin is from the Bureau of Economic Analysis, U.S. Dept. of Commerce, April 25, 1996. Average teacher salaries are computed by the Department of Public Instruction, and benchmark data come from district salary contracts.

# RATES OF INCREASE IN WISCONSIN TEACHER PAY COMPARED TO

#### THE GREAT LAKES REGION

AND

**NATIONAL INCREASES** 

#### **Average Teacher Salaries - Midwest States**

#### **Ranked by Percent Increase**

	1993	1994	1995	1996	% Inc.	\$ Inc.
1 National average	35000	35723	36874	37685	107.67%	2685
2 Iowa	30130	30760	31511	32372	107.44%	2242
3 Indiana	35068	35711	36799	37677	107.44%	2609
4 Illinois	38632	39387	41040	40919	105.92%	2287
5 Minnesota	35093	36146	35948	36937	105.25%	1844
6 Wisconsin	36477	35990	37746	38182	104.67%	1705
7 Michigan	43604	42500	47412	44796	102.73%	1192

#### Ranked by Dollar Increase

		1993	1994	1995	1996	% Inc.	\$ Inc.
1	National average	35000	35723	36874	37685	107.67%	2685
2	2 Indiana	35068	35711	36799	37677	107.44%	2609
3	3 Illinois	38632	39387	41040	40919	105.92%	2287
4	lowa	30130	30760	31511	32372	107.44%	2242
5	Minnesota	35093	36146	35948	36937	105.25%	1844
(	Wisconsin	36477	35990	37746	38182	104.67%	1705
7	Michigan	43604	42500	47412	44796	102.73%	1192

#### Wisconsin Compared to the Average Increase in the Midwest

		1993	1994	1995	1996	% Inc.	\$ Inc.
1	lowa	30130	30760	31511	32372	107.44%	2242
2	Indiana	35068	35711	36799	37677	107.44%	2609
3	Illinois	38632	39387	41040	40919	105.92%	2287
4	Minnesota	35093	36146	35948	36937	105.25%	1844
5	Michigan	43604	42500	47412	44796	102.73%	1192
	Midwest Average	36505	36901	38542	38540	105.76%	2035
	Wisconsin	36477	35990	37746	38182	104.67%	1705
	\$ Difference	-28	-911	-796	-358		-330
	% Difference	-0.08%	-2.53%	-2.11%	-0.94%	-1.04%	

Wisconsin Compared to the Average Increase Nationally

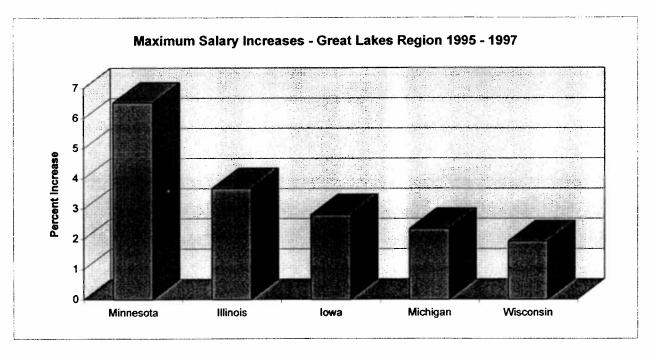
F		1993	1994	1995	1996	% Inc.	\$ Inc.
	National Average	35000	35723	36874	37685	107.67%	2685
	Wisconsin	36477	35990	37746	38182	104.67%	1705
	\$ Difference	1477	267	872	497		-980
	% Difference	4.05%	0.74%	2.31%	1.30%	-2.87%	

# Ranked by Percent Increase in Average Salary Over Ten Years 1985-86 to 1995-96

	Percent	increase		
	1 Indiana	54.90	Indiana	54.90
	2 Illinois	52.10	Illinois	52.10
	3 National	49.50	National	49.50
	4 Iowa	49.40	lowa	49.40
	5 Michigan	49.00	Michigan	49.00
ł	6 Wisconsin	44.90	Minnesota	35.00
	7 Minnesota	35.00	Average	48.32
			Wisconsin	44.9
			% Diff.**	-7.62%

<sup>\*\*</sup> The national and Midwest average increase of 48.32% was 7.62% greater than Wisconsin's increase.

# Percent Increase in Maximum Salaries - Great Lakes Region 1995-96 - 1996-1997



Data Sources: NEA Rankings of the States, and state education associations.

# SALARY INCREASES DURING CALENDAR 1995 TO PARTICIPANTS ACTIVE BOTH AT BEGINNING & END OF YEAR

	Teachers					
	Acti	ual		Other	General	
Age Group		Public	]			Age Group
ginning of Year	University	School	Expected	Actual	Expected	Beginning of Year
25-29	31.9%	17.3%	8.8%	17.6%	8.0%	25-29
30-34	18.5	9.0	8.2	10.8	7.0	30-34
35-39	12.4	7.4	7.8	8.4	6.5	35-39
40-44	9.9	6.0	7.2	7.6	6.0	40-44
45-49	7.6	4.3	6.6	6.6	5.6	45-49
50-54	6.0	3.4	6.2	5.9	5.6	50-54
55-59	5.6	3.0	5.9 #:#:#:	5.3	5.6	55-59
60-64	6.0	2.6	5.7	4.4	5.6	60-64
65 & Over	3.7	1.9	5.7	5.2	5.6	65 & Over
Average*	4.5	1.9	5.3	3.7	5.3	Average*

Including new entrants.

The salary increases shown on this and the following page are not necessarily reflective of pay necessarily are averages awarded to any individual member. The figures are broad averages of figures involving arge groups of people. Pay increases tend generally to track inflation which was about 2.5% in 1995. The average inflation rate over the 25 year period 1970-1995 was 5.7%. Similarly, during that period verage earnings rose also by about 5.6%.



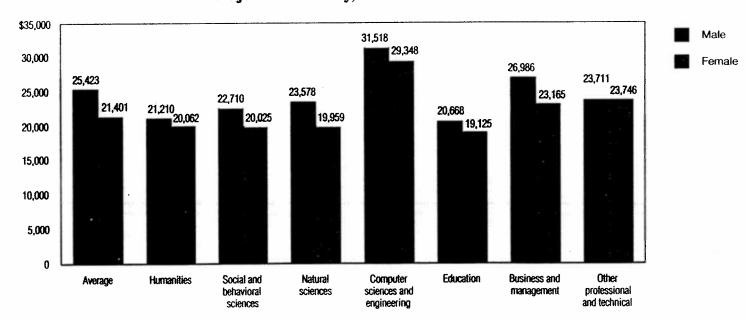
## **Earnings of Recent College Graduates:** The Class of 1993

Abundant evidence shows that the earnings and field of study of college graduates are closely related—largely, though not exclusively, because choice of major field often determines occupation. For the Class of 1993, comprehensive data were recently released by the National Center for Education Statistics, U.S. Department

of Education. The same pattern is evident.

Earnings are highest in computer sciences and engineering and lowest in humanities and education. As a percentage, the earnings of women were closest to those of men in the humanities, computer sciences and engineering, and education.

#### Annual median starting salaries of 1993 college graduates 1 year after graduation, by sex and major field of study, in 1995 constant dollars



SOURCE: The Condition of Education 1996, U. S. Department of Education, Office of Educational Research and Improvement, p. 116.

NOTE: Data are for bachelor's degree recipients who were working full time and were not enrolled in postsecondary education 1 year after graduation. Comparable data were collected for the classes of 1977, 1980, 1984, 1986, and 1990; see "The Class of '90: One Year After Graduation," Gary Steinberg, OOQ, Summer 1994. For a study of the earnings of all college graduates, as opposed to recent graduates, by field of study, see "Earnings and Major Field of Study of College Graduates," Daniel Hecker, 000, Summer 1996.

#### THE MYTH THAT TEACHERS DON'T WORK FULL-TIME

# A COMPARISON OF PRIVATE SECTOR EMPLOYEES TO TEACHERS

"The average amount of time a full-time teacher is required to spend at school is only about three-quarters of the teacher's work week."

-- U.S. Dept. Of Education, NCES, Teacher's Working Conditions, 1996.

National survey data is similar to the Wisconsin survey data contained herein on the extra hours teachers work. Nationally, teachers worked an average of 12 extra hours per week beyond the regular workday. In Wisconsin the average was about 15 hours and the median was 9.7 extra hours per week. However, in Wisconsin the average regular work week for teachers was 35.8 hours, whereas the average for teachers nationally was 33 hours (Source: U.S. Dept. of Education, NCES, Schools and Staffing Survey, 1993-1994).

#### THE MYTH THAT TEACHERS DON'T WORK FULL-TIME

#### PRIVATE SECTOR EMPLOYMENT

In 1993 the Bureau of Labor Statistics (BLS) conducted a national study of employee benefits at medium and large private establishments. The following data are from the Employer Benefit Survey Bulletin #2456 which reports the results of the survey.

#### **Hours Worked**

Weekly work schedules of 40 hours predominate among full-time employees. While some flex-time is being introduced, 82% of employees work the standard 8 hours per day 5 days per week for a total of 2080 hours per year. Most (96%) do not receive a paid lunch, but two fifteen minute breaks are "often provided."

#### Holidays

Nearly all full-time employees are provided paid holidays. The average is 10 days per year including "personal holidays" (e.g., birthdays) sometimes offered by employers.

#### **Paid Vacation**

Almost all full-time employees receive paid vacation. Vacation averages 16.6 days for 10 years of service, and 20.4 days for 20 years of service. The BLS states that employees receive "15 or 20 days at 10 years, and 20 to 30 days at 20 years or more."

#### TEACHER EMPLOYMENT

In 1996 the Wisconsin Education Association Council conducted a statewide survey in Wisconsin which addressed teacher employment conditions. The survey was sent to a random sample of teachers statewide and was returned by 880 respondents. The following data are from this survey on the "Status of Wisconsin Teachers."

#### **Number of Days Worked**

The average number of school days reported by teachers was 180.9. Additionally, teachers reported an average of 6.9 "other contract" days when they must report to school. Thus, the average teacher is contracted to work 187.8 days per year.

#### Number of Hours Worked

By contract, the average teacher worked 7.66 hours per day. However, teachers worked an average of 8.96 hours per week on non-compensated *instruction-related* activity, like class preparation and grading papers, after the school day was over including weekends. Teachers also reported working an average of 6.06 hours per week in *non-instructional* related activities. This category includes both compensated activities like coaching and non-compensated activities like bus duty or club advisor. When non-compensated instructional-related time spent after the workday and non-

instructional duties are added to the regular workday, the average teacher is working from 9 to 10 hours per day.

#### A COMPARISON OF PRIVATE SECTOR EMPLOYEES TO TEACHERS

The comparisons below use data from the BLS *Employee Benefit Survey* (1993) and the *Status of the Wisconsin Teacher* survey (1996). For teachers the mean, or average, score for each response was used in the left-hand column and the median score was used in the right-hand column. One-half hour was subtracted from the length of the contract day for lunch in order to calculate the total number of hours worked per year by teachers.

Private sector hours were based on an employee who has 20 years experience. This is an apt comparison since the average teacher has 17 years of experience. Private sector hours were calculated with and without paid breaks since many but not all employees receive paid breaks.

# ANNUAL HOURS OF WORK TEACHERS

Mean Scores		Median Scores				
Teaching days	180.90	Teaching days	180.00			
Other contract days	6.90	Other contract days	7.00			
Hours per day (7.66 - lunch)	7.16	Hours per day (8 - lunch)	7.50			
Instructional extra time (8.96 wk/5)	1.79	Instructional extra time (7.3 wk/5)	1.46			
Non-instructional extra (6.06 wk/5)	1.21	Non-instructional extra (2.39 wk/5)	.48			
187.8 days x 10.16 hours per day =		187 days x 9.44 hours per day =				
Total: 1	,908.05	Total: 1	,765.28			

# ANNUAL HOURS OF WORK PRIVATE SECTOR

Including Daily Paid Breaks		Excluding Daily Paid Breaks		
(8 hours x 5) x 52 weeks =	2080	(7.5  hrs per day x 5)  x 52 weeks =	1950	
Holidays (10 @ 8 hrs)	-80	Holidays (10 @ 8 hrs)	-80	
Vacation (20 days @ 8 hrs)*	-160	Vacation (20 days @ 8 hrs)*	-160	
Total: 1,840		Total:	1,710	

Vacation is for a 20-year employee. The average teacher in Wisconsin has 17 years of experience.

The most current data available show that Wisconsin teachers work from 1,765 to 1,908 hours per year, not unlike their private sector counterparts who work from 1,710 to 1,840 hours per year. The similarity in hours between teachers and private sector employees is due primarily to the extra time teachers spend working with students and preparing for class after the typical workday is over, in addition to the extra duties teachers are responsible for after the "regular" workday.

# IN 1993 THE AVERAGE WORKER WORKED 39.2 HOURS PER WEEK, LESS THAN THE 47-50 HOUR WORK WEEK FOR TEACHERS.

In a related study on trends in hours of work, the *Monthly Labor Review* stated that the average work week for nonagricultural wage and salary workers was 39.2 hours, and that "average hours at work changed little over the period from 1976 to 1993, increasing by just 1.1 hours" (Rones, Llg, Gardner, April 1997). Within this relatively stable picture, however, two major trends were notable. First, the proportion of people working more than 49 hours per week is increasing. This group tended to work in higher paying or sales related jobs. Second, the number of women in the workforce is increasing as is the number of hours they are working.

The increasing number of women, who work fewer hours than men, and a decrease in the number of hours by workers under the age of 26 both helped off-set the increase in the number of people working more than 49 hours per week so that, in aggregate, there was only a minor increase in the average number of hours worked between 1976 and 1993.

#### WOMEN WHO TEACH WORK MORE THAN THEIR PRIVATE SECTOR COUNTERPARTS.

In 1993, the average man worked 1,905 hours per year, and the average women 1,526. Women teachers, who comprise 70% of Wisconsin's teaching corp, worked about 239 more hours per year than the average women who worked in the private sector.

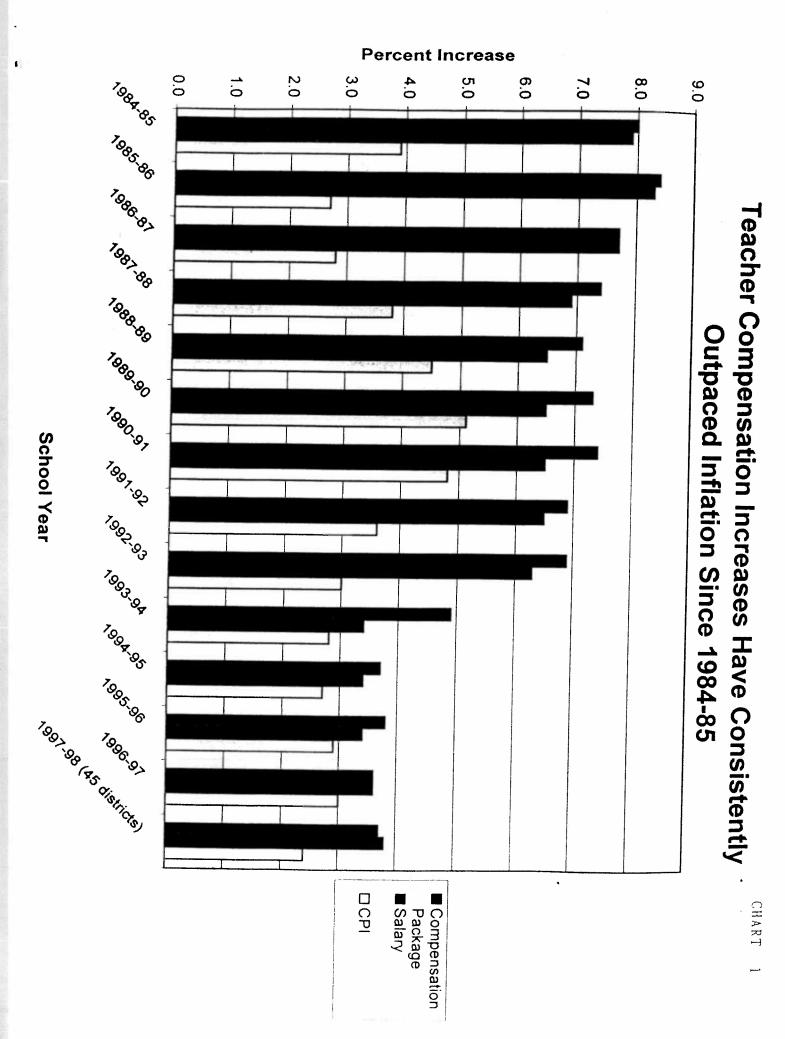
#### RELATED FACTS AND TALKING POINTS

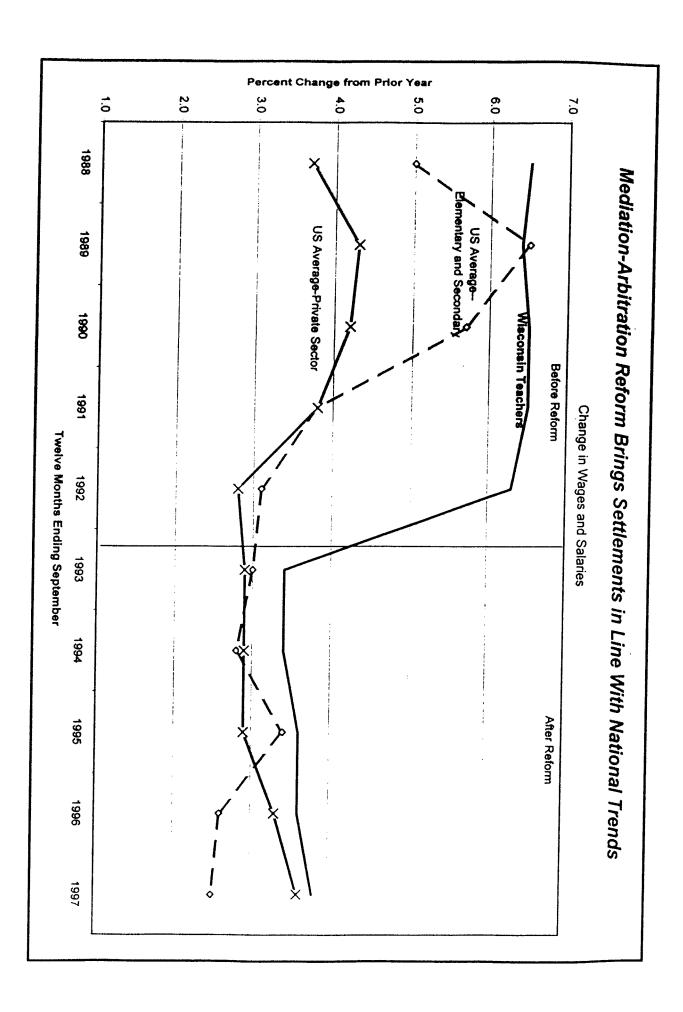
- Many teachers do not get paid during summer months and have to budget for three months of no income. There is no comparison in the private sector where gainfully employed individuals are not paid for three month periods of time during their employment.
- If teachers are paid during the summer, the monies paid are monies which were earned at an earlier time and are being doled out later with no interest.
- Many employees in the private sector who work more than 40 hours per week are entitled to overtime pay. However, teachers who spend extra time helping students or preparing for class do not receive overtime. The more time teachers spend helping students the less their hourly wage becomes.
- The average amount spent by teachers last year for classroom materials and/or to help meet the needs of students was \$343. About 33% reported spending more than \$200 and six percent reported spending more than \$1,000 in the last academic year (Status of Wisconsin Teachers, 1996).
- To maintain a license for employment, teachers must complete six credits every five years. Studying, research, and class time are all non-compensated additional time commitments which are a requisite part of teaching employment.
- Over the last three years, from 29% 40% of teachers took college courses in any single year. Of these, teachers spent on average \$1,872 in tuition, books and fees; and 35% reported spending between \$1,500 and \$10,000 in the last three years on course work (Status of Wisconsin Teachers, 1996).
- On average, each teacher is responsible for 88 pupils per day. However, 48% of teachers are responsible for 100-200 students per day (Status of Wisconsin Teachers, 1996).
- The majority of teachers are contracted to work an eight hour day.
- The average teacher reported spending about 9 hours per week on activities related to instruction after the workday was over. Additionally, 42% of teachers reported spending more than 10 hours per week, and 10% spent more than 20 hours per week in post-workday instructional-related activities (Status of Wisconsin Teachers, 1996).

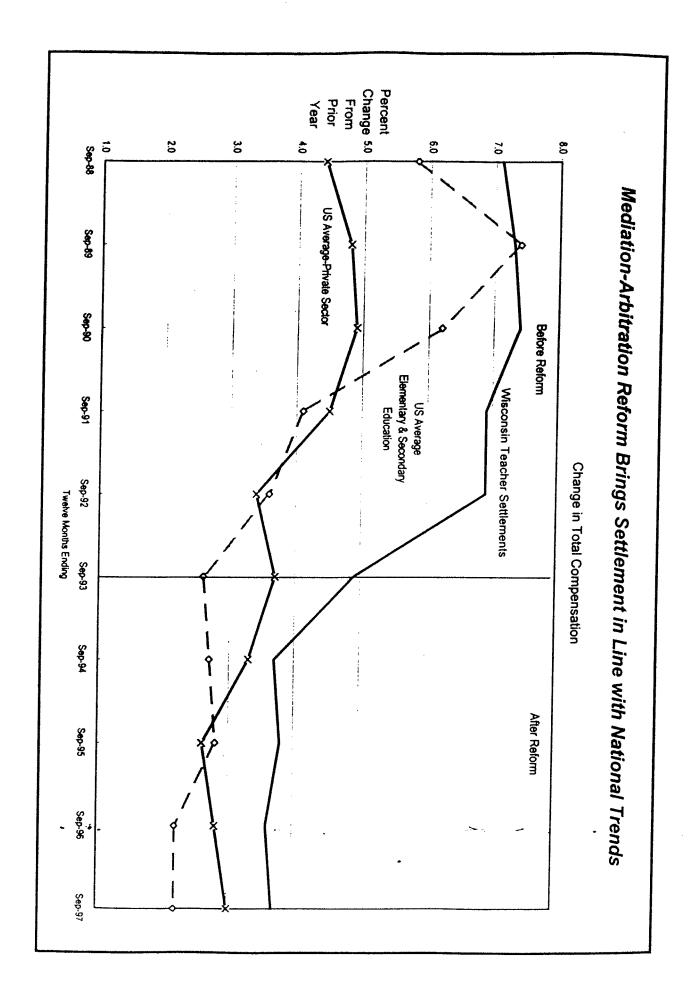


# WISCONSIN STATE LEGISLATURE

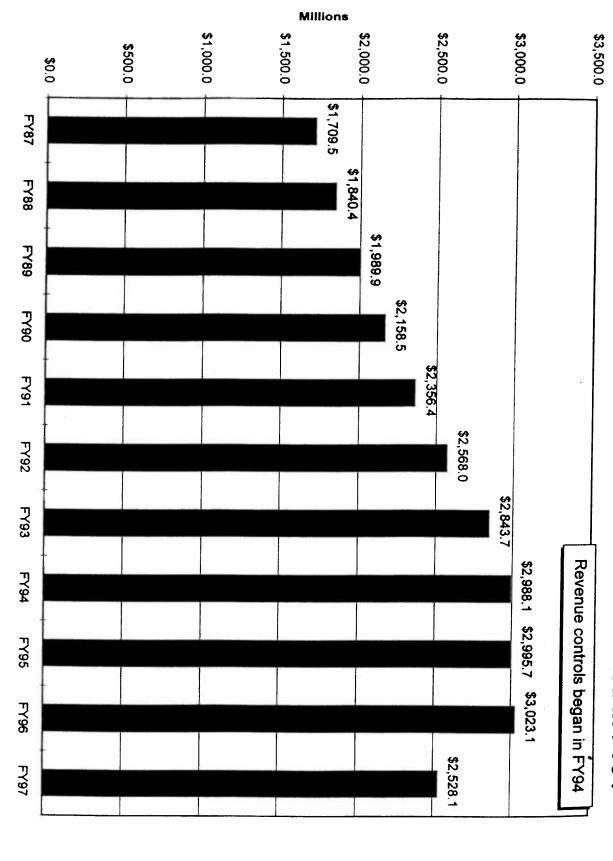








Growth in the Statewide School Property Tax Levy Has Slowed Significantly Since Revenue Controls and the QEO Were Enacted In FY94 CHART 4





# WISCONSIN STATE LEGISLATURE



#### **Senator Potter List:**

- 1. Please schedule WASB early. We would like Bob West (WEAC Collective Bargaining Director) to testify immediately after WASB testimony.
- 2. WEAC Member Group Testimony should be ordered as follows:

#### (1) Senator Jauch's District

Darlene Schmid -- Superior
Frank Kane -- Frank Kane
Kathleen Adee -- Washburn
Charlene Newhouse -- Hurley
Diane Hedin -- Hayward
Tom Kuziej -- Hayward
Kathy Duerr - Barron
Sybil Thompson -- Turtle Lake

#### (2) Senator Darling's District

Jon Gilmore -- Glendale Nonita Stiggers -- Mequon-Thiensville Jo Paider-Trask -- Germantown Dee Freeman -- Slinger John Wellinghoff -- Menomonee Falls Bob Lehmann -- Milwaukee

#### (3) Senator Grobschmidt's District

Sam Carmen -- Milwaukee Phyllis Wetzel -- Cudahy Guy Costello -- South Milwaukee

#### (4) Senator Potter's District

Michelle Kohlbeck -- Manitowoc Kent Markham -- Kohler Lei Lund - Elkhart Lake Deb Streblow -- Plymouth Stacy Gloede -- Plymouth

#### (5) Senator Roessler's District

Maryann Johnson North Fond du Lac Linda Wulff -- Waupun Rich Lila -- Waupun

#### (6) Senator Shibilski's District

Mary Lee Reineking -- Stevens Point Mary Bell -- Wisconsin Rapids

#### (7) Senator Huelsman's District

Carolyn Burrough - Jefferson
Marlene Frehner -- Palmyra-Eagle
Joe Whitmore -- Palmyra-Eagle
John Strong -- ULE-Kettle Moraine
Fred Schuler -- ULE-Mukwonago
Patsy Wanless -- Whitewater
Linda Laumann -- Milton
Diane Alijev -- Waukesha
Paul Craig -- Arrowhead

#### (8) Madison Teachers

Bill Keyes
Sara Bringman
Barbara Keresti
Mike Schwaegerl
Mazie Jenkins
Nan Youngerman

Pan Riddle

Pam Riddle

Green Bay and

Kenosha As Panel





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#### THURSDAY, OCTOBER 2, 1997

# Area wages grow 5% in past year

MMAC says economy in metropolitan area showing steady growth

By GEETA SHARMA-JENSEN of the Journal Sentinel staff

Average weekly earnings for production workers in metropolitan Milwaukee grew 5% in August compared with the same month a year ago.

The wage numbers, reported Wednesday by the Metropolitan Milwaukee Association of Commerce, surpassed national price inflation for the 10th month in a row.

The MMAC, which tracks 15 indicators of business activity each month, said the area economy again showed

steady, though moderate,

growth.

"We've reached a healthy medium where the rate of job growth and the level of unemployment are in a state of equilibrium. That's a relatively healthy position to be in," said Bret Mayborne, the association's economic research director.

"I think the steady growth in the local economy is reflecting what's happening nationally," Mayborne added. "Inflation seems to be under control, so there isn't any need for the Federal Reserve to put the clamps on. As long as things don't overheat, I fully expect we'll stay in this

Please see MMAC page 3

# MMAC/Area wages up 5% in past year

From page 1

kind of situation for the intermediate time."

Metro Milwaukee's unemployment rate for August was 3.5%, up from 3.4% in August 11996.

There are indications both locally and nationally that such low rates have begun to drive

The average weekly earnings for Milwaukee-area production workers rose to \$629 in August, up 4.1% from the month before and 5% from August 1996. The numbers are not seasonally adjusted. Nationally, consumer prices rose 2.2% in the 12 months ended in August.

Clare Zempel, chief economist for Robert W. Baird & Co., said he was not surprised that weekly earnings were going up in the four-county Milwaukee area.

"Nationally, there has been a trend in the last 12 to 18 months for wages to increase a bit faster," he said.

Wage increases have raised fears of inflation and a corresponding move by the Fed to raise interest rates. But Zempel said he does not believe inflation will occur.

"Rising wages will be offset by rising productivity and offset also by the fact that the economy isn't growing fast enough overall to validate a broad increase in prices," he said. "Few, if any, businesses have the ability to set their own prices because demand in the economy overall is only growing 5.5% a year."

Mayborne said the earning jump was due in part to an in crease in hourly wages and it part to longer work weeks.

The length of the averag work week increased for th seventh time this year, reachin 42 hours in August, up 0.5° from a year ago.

Because of a labor shortage Zempel said, workers have bee working longer hours.

"If they are working overtime that adds to the premium, an the other thing is probably (that the competition for workers is factor," he said. "In order to ge new workers and keep of workers, there must be som bidding taking place."

Nationally, average weekl earnings in the manufacturin sector were up just 3.5% in August from a year ago. The average work week nationally i manufacturing was 41.9 hour vs. 41.7 hours a year ago.

Overall job growth in th four-county Milwaukee are slowed in August, increasin just 1.1% — to 825,500 jobs from year-ago levels. To dathis year, jobs have increased a average of 1.4%. August's rawas the slowest in 11 months.

Non-farm employment gre 1.1%, the slowest since Septen ber 1996. But, for the first time four months, all three major jo sectors — manufacturin wholesale and retail trade grew, Mayborne said.

Among the other indicator existing home sales declined for the first time in three month

falling 0.5% to 1,230.

Up to 22.9 percent Cap Times

#### By Matt Pommer

The Capital Times

Described as "grossly underpaid," Tommy Thompson's senior staff this month received double digit pay increases, up to as high as

22.9 percent.

John Matthews, his chief of staff, said Thompson was concerned about keeping his staff pay levels competitive with salaries "in the rest of state government," including legislative staffs.

Getting double digit percentage increases, ef-

fective last July 1, are:

■ Legal counsel Stewart Simonson, \$11,000 or

22.9 percent, to \$59,000.

■ Policy Director Robert Wood, \$10,000 or

20.8 percent, to \$58,000.

Communications Director Kevin Keane,

\$9,887 or 20.1 percent, to \$58,000.

■ Erik Cummings, who works in the Milwaukee office, \$4,000 or 15.3 percent, to \$30,000 (His full salary is charged to the Department of Health and Family Services).

■ Prison Policy Adviser William Reid, \$5,500 or 13.9 percent, to \$45,000 (Half his salary is charged to the Department of Corrections).

■ Deputy Communications Director Rod Hise,

\$5,000 or 12.5 percent, to \$45,000.

■ Patricia Hackett, the governor's personal secretary and scheduler, \$4,002 or 10.8 percent, to \$41,002.

Nate Elias, the governor's personal assistant,

\$4,000 or 10.5 percent, to \$42,000.

The governor's staff, which last year got raises averaging about 2 percent, has been "grossly underpaid" compared to the rest of state government, according to Matthews. The governor's people have not even been close to others in government with similar responsibilities, he added.

The three senior staff - Simonson, Wood and Keane - are "MVPs" (most valuable players) in

See RAISES, Page 5A

# Raises

#### Continued from Page 1A

the eyes of the governor, Matthews indicated. The pay raises are "a recognition of their superior performance," Matthews said.

They also could be considered "catch-up" raises, taking the governor's people to the levels of oth-

ers in government.

The policy directive to upgrade the staff's pay came from Thompson. Matthews, who implemented the governor's directive, is a member of the Cabinet. Thompson gave him a 6 percent or \$4,791 raise, taking him to \$83,791.

Pay increases for most workers in state government this year are in the 3 percent range. The University of Wisconsin received pay raise money equal to 4 percent of its salary base for faculty and academic staff.

Most of the governor's professional staff got raises larger than 5 percent. They include:

Assistant Legal Counsel Marlene Baierl 5 percent to \$36,750; assistant scheduler Heather Beckman 5.7 percent to \$28,000; policy adviser Annette Cruz 8.2 percent to \$46,000; policy adviser William Esbeck 6.75 percent to \$40,000 (Half his salary is charged to the Department of Transportation; Office Manager Scott Fromader 5.5 percent to \$46,990:

Computer specialist Lisa Jorgensen 8.5 percent to \$36,000; policy adviser Thuy Morzenti 5.8 percent to \$36,000 (her full salary is charged to the Department of Financial Institutions); speech writer Darrin Schmitz 5 percent to \$36,750; policy adviser Christopher Spooner 8.75 percent to \$40,000.